



**ELECTRIC UTILITY COMMISSION  
REGULAR MEETING MINUTES – Approved April 16, 2012  
MARCH 19, 2012**

**The Electric Utility Commission (EUC) convened in a regular meeting in the Shudde Fath Conference Room at 721 Barton Springs Road in Austin, Texas.**

1. **CALL TO ORDER** – Phillip Schmandt called the meeting to order at 6:00 p.m.  
Commissioners in attendance: Phillip Schmandt, Chair; Gary ‘Bernie’ Bernfeld, Shudde Fath, Stephen Smaha, and Dr. Michael Webber. Vice Chair Linda Shaw and Commissioner Barbara Day were absent.  
Staff in attendance: Larry Weis, Cheryl Mele, Kerry Overton, Ed Clark, Ann Little, Jackie Sargent, David Wood, Mark Dreyfus, Karl Rabago, Michael Osborne, Pat Alba, Pat Sweeney, Steve Machicek, Fred Yebra, Stephen Leinweber, Drusilla Saenz, Elaine Kelly-Diaz, David Kutach, Jeff Vice, Leslie Sopko, Patricia Alofsin and Toye Goodson Collins of Austin Energy; Rosemary Ledesma of the Purchasing Department; and Edward Campos of the Contract Management Department.
2. **APPROVAL OF MINUTES** – Approve minutes of the February 27, 2012 regular meeting. **Motion to approve minutes, with one correction, by Chair Schmandt, seconded by Commissioner Bernfeld, passed on a vote of 5-0.** The correction was to move the following sentence from Item #16 to Item #17: “They also requested an update on the biomass contract and an update on the fuel hedging program.”
3. **CITIZEN COMMUNICATIONS: GENERAL**  
One person requested to speak during discussion of Item #18 on solar generation planning.

**NEW BUSINESS – CONSENT ITEMS**

4. Authorize award and execution of a contract with HOWARD INDUSTRIES, INC, for the purchase and installation of two isolation power transformers for Austin Energy in an amount not to exceed \$992,436. **Motion to approve on consent by Chair Schmandt, seconded by Commissioner Webber, passed on a vote of 5-0.**
5. Authorize award and execution of a 36-month requirements supply contract with KBS ELECTRICAL DISTRIBUTORS INC, for the purchase of fault indicators and fiber optic leads for Austin Energy in an estimated amount not to exceed \$1,860,789, with three 12-month extension options in an estimated amount not to exceed \$620,263 per option, for a total estimated contract amount not to exceed \$3,721,578. **Motion to approve by Commissioner Bernfeld, seconded by Commissioner Webber, passed on a vote of 5-0.**
6. Authorize award and execution of a 24-month requirements supply contract with TEXAS METER AND DEVICE COMPANY, LLC, for the purchase of auxiliary parts for switchgear and relay panels for use at Austin Energy substations in an estimated amount not to exceed \$120,338, with three 12-month extension options in an estimated amount not to exceed \$60,169 per extension option, for a total estimated contract amount not to exceed \$300,845. **Motion to approve by Commissioner Bernfeld, seconded by Commissioner Webber, passed on a vote of 5-0.**

7. Approve issuance of a rebate to CNC Investments Inc. for performing duct diagnostic and improvements at Sunrise Bluffs Apartment Homes in an amount not to exceed \$104,931. **Motion to approve on consent by Chair Schmandt, seconded by Commissioner Webber, passed on a vote of 5-0.**
8. Approve issuance of a rebate to GS Quarry Lake LLC for performing duct diagnostic and improvements at The Estate on Quarry Lake Apartments in an amount not to exceed \$102,558. **Motion to approve on consent by Chair Schmandt, seconded by Commissioner Webber, passed on a vote of 5-0.**
9. Approve issuance of a rebate to 4700 Nalle Woods Realty Co. for performing duct diagnostic and improvements at Nalle Woods in an amount not to exceed \$94,542. **Motion to approve on consent by Chair Schmandt, seconded by Commissioner Webber, passed on a vote of 5-0.**
10. Approve issuance of a rebate to Invesco Real Estate for ~~performing duct diagnostic and improvements~~ the installation of solar screens at the Preserve at Travis Creek in an amount not to exceed \$72,047. **Motion to approve, as corrected, on consent by Chair Schmandt, seconded by Commissioner Webber, passed on a vote of 5-0.**
11. Authorize negotiation and execution of a 12-month Interlocal Agreement between the City of Austin and the City of San Antonio to allow cooperation with respect to implementation of the Texas Solar Collaboration as provided for and funded by the U.S. Department of Energy's Rooftop Solar Challenge grant in an amount not to exceed \$83,073. **Motion to approve on consent by Chair Schmandt, seconded by Commissioner Webber, passed on a vote of 5-0.**
12. Authorize award, negotiation, and execution of a 12-month requirements service contract with PSC ENVIRONMENTAL SERVICES LLC, or one of the other qualified offerors to RFP No. DKC0037 to provide management and disposal of hazardous and non-hazardous waste for Austin Energy in an estimated amount not to exceed \$311,000, with four 12-month extension options in an estimated amount not to exceed \$311,000 per extension option, for a total estimated contract amount not to exceed \$1,555,000. **Motion to approve on consent by Chair Schmandt, seconded by Commissioner Webber, passed on a vote of 5-0.**
13. Authorize award and execution of a 12-month requirements service contract with AUS-TEX PRINTING & MAILING, INC. for printing of the PowerPlus Newsletter for Austin Energy in an estimated amount not to exceed \$74,736, with two 12-month extension options in an estimated amount not to exceed \$74,736 per extension option, for a total estimated contract amount not to exceed \$224,208. **Motion to approve on consent by Chair Schmandt, seconded by Commissioner Webber, passed on a vote of 5-0.**
14. Authorize execution of a construction contract with CS Advantage USAA, Inc. for the replacement of the roof at Austin Energy's Town Lake Center facility, in the amount of \$598,000 plus a \$89,700 contingency, for a total contract amount not to exceed \$687,700. **Motion to approve on consent by Chair Schmandt, seconded by Commissioner Webber, passed on a vote of 5-0.**
15. Authorize award and execution of a 36-month requirements service contract with ARTHUR W. BELL dba KIL-A-BUG PROFESSIONAL PEST CONTROL, or one of the other qualified bidders for IFB-BV No. PAX0216, to provide pest and termite control services for

various City Departments in an estimated amount not to exceed \$830,700, with three 12-month extension options in estimated amounts not to exceed \$395,280 for the first extension option, \$474,336 for the second extension option, and \$569,203 for the third extension option, for a total estimated contract amount not to exceed \$2,269,519. **Motion to approve on consent by Chair Schmandt, seconded by Commissioner Webber, passed on a vote of 5-0.**

## **NEW BUSINESS – DISCUSSION ITEMS**

16. Provide input on contents for Austin Energy’s Annual Performance Report FY 2011 – Ed Clark, Corporate Communications Director, distributed a three-page list of datasets to be included in an upcoming online Data Library associated with the report. Commissioners reviewed last year’s report and suggested additions for the FY 2011 edition including a list of generation assets and associated capacity and capacity factors. Other suggestions included clarifying the ‘rebate’ and ‘rebate options’ line items in the Conservation Rebates and Incentives table on p. 5, and adding NOx and SOx emissions data in the Emissions section. Chair Schmandt suggested adding a “state of the utility” section describing key initiatives such as the Energy Conservation Audit and Disclosure Ordinance. Commissioner Smaha suggested that data in the online library be available in Excel files. A draft report will be posted on the EUC and Austin Energy websites by June 8 for public review. At the EUC meeting on June 18, the Commission will welcome public comment on the draft report before final review at the July 16 meeting.

## **OLD BUSINESS**

17. Approve Annual Internal Review and Report required of Boards and Commissions per Section 2-1-46 of the City Code – **Motion to approve the report, with the additions included in the backup materials, by Commissioner Smaha, seconded by Commissioner Webber, passed on a vote of 5-0.** The staff liaison will finalize the report and submit it to the City Clerk’s office before the deadline of March 31.
18. Discussion regarding Austin Energy solar generation planning – Chair Schmandt invited speakers on this topic. Jim Burns of CommunitySun made a presentation entitled, “Citizen-Owned Community Solar.” Stan Pipkin of LighthouseSolar spoke about a letter from companies and organizations endorsing a community solar program. Chair Schmandt asked Austin Energy staff about possible amendments to the Distributed Energy Renewable Resources Rider, referred to in a memo dated February 27, 2011 from Michael Osborne, Special Assistant to the GM. Commissioners expressed concern about meeting renewable energy goals without a community solar program. Mr. Osborne suggested a timeline of 60 days to bring forward a concept for a residential pilot project. Commissioners requested that staff report back at their meeting in May.

## **STAFF REPORTS AND BRIEFINGS**

19. Financial Report by Steve Machicek, Director, Corporate Accounting & Rates.
20. Rate review process update by Larry Weis, General Manager, and Ann Little. Acting Sr. VP for Finance & Corporate Services.

## **FUTURE AGENDA ITEMS**

21. Request agenda items including information related to the Upcoming Procurements Report – Chair Schmandt requested a high level report, in three or four months, on Austin Energy's perspective of CPS Energy's work on issues such as sustainability and renewable energy, and possibilities for collaboration with CPS. Referring to the future purchase of SCADA software on the Upcoming Procurements Report, Commissioner Smaha requested additional information on how cyber security issues will be addressed. Referring to the tentative list of upcoming briefings, Cheryl Mele, Chief Operating Officer, recommended that the Fuel Hedging report, currently scheduled for the May agenda, be provided following a review of the utility's hedging program which is scheduled to begin soon. She estimated the report would be ready in August or September. Commissioners agreed.

22. **ADJOURN** – Chair Schmandt adjourned the meeting at 7:20 p.m. without objection.